

## **American Rescue Plan Assistance and Eligibility for NY-16**

The \$1.9 Trillion American Rescue Plan provides relief to states, municipalities, school districts, businesses, and individuals through a variety of programs. In this document, we explain some of the assistance and eligibility directed toward small businesses, households, and individuals.

### **I. Economic Impact Payments (“stimulus checks”)**

The ARP provides automatic payments of up to \$1,400 to eligible individuals, \$2,800 for eligible married couples, plus \$1,400 for each dependent. Check the status of your payment:

<https://www.irs.gov/coronavirus/get-my-payment>

**Eligibility.** Generally, US Citizens and resident aliens are eligible if income is no more than:

- \$150,000 if married and filing a joint return or if filing as a qualifying widow or widower
- \$112,500 if filing as head of household or
- \$75,000 for eligible individuals using any other filing statuses, such as single filers and married people filing separate returns.

Payments will be phased out – or reduced -- above these gross incomes. This means taxpayers will not receive a third payment if their gross income exceeds:

- \$160,000 if married and filing a joint return or if filing as a qualifying widow or widower
- \$120,000 if filing as head of household or
- \$80,000 for eligible individuals using other filing statuses, such as single filers and married people filing separate returns

The IRS uses the following information to determine eligibility:

- Filed a 2020 tax return.
- Filed a 2019 tax return if the 2020 return has not been submitted or processed yet.
- Did not file a 2020 or 2019 tax return but registered for the first Economic Impact Payment using the special Non-Filers portal last year.
- Are federal benefit recipients as of December 31, 2020, who do not usually file a tax return and received Social Security and Railroad Retirement Board benefits, Supplemental Security Income (SSI) and Veteran benefit recipients in 2020. The IRS is working with these agencies to get updated information for 2021 to assist with stimulus payments at a date to be determined. [IRS.gov](https://www.irs.gov) will have more details.

### *How to access stimulus check*

- Most eligible people will automatically receive the payment via direct deposit or check, and do not need to take any additional action
- If you did not receive your first or second stimulus check or you did not file your taxes last year, you may be eligible for a recovery rebate credit. [You can check here for more details](#).

For more details about economic impact payments, [visit the IRS Payment FAQ page](#).

## **II. Child Tax Credits**

The American Rescue Plan increased the amount of the Child Tax Credit from \$2,000 to \$3,600 for children under age 6, and \$3,000 for other children under age 18. This credit is fully refundable. The Child Tax Credit is designed to help people with the costs of bringing up a child, and enhanced by the American Rescue Plan to help struggling families through the pandemic.

**Eligibility.** Individuals can check if their household is eligible for the Child Tax Credit using the [IRS Child Tax Credit eligibility tool](#). Eligibility is based on the adult(s) income:

- Individuals making up to \$75,000 are eligible for the full credit
- Heads of households making a gross income of up to \$112,500 are eligible for full credit
- Joint returns showing a gross income of up to \$150,000 are eligible for full credit
- For every \$1,000 earned above the eligibility limits, the tax credit decreases by \$50. The previous credit of \$2,000 per child is still available subject to an upper income limit of \$400,000 for married couples and \$200,000 for individuals.
- To claim the refund, you must have provided at least half of the child's support during the last year, and the child must have lived with you for at least half the year (there are some exceptions to this rule; see IRS details [here](#)).

## **III. Housing Assistance**

The American Rescue Plan provides \$1 Billion in emergency rental assistance to New Yorkers, \$575 Million in mortgage assistance, along with other funds for homeless prevention and housing counseling. In addition, the eviction and foreclosure moratorium is currently in effect *through March 2021*.

**Emergency Rental Assistance Funds.** Households qualify for emergency rental assistance under the American Rescue Plan if someone in the household:

1. Has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the pandemic; AND
2. Can demonstrate a risk of experiencing homelessness or housing instability; AND
3. Has a household income below 80% AMI.

States and localities must prioritize households below 50% of AMI or those who are unemployed and have been unemployed for 90-days. States and localities can provide additional prioritization of funds. These funds can be used to provide financial assistance, including back and forward rent and utility payments, and other housing expenses. Assistance can be provided for 18 months. As of March 25, New York State has not yet issued its rent relief dissemination plans.

**Mortgage Assistance.** Applicable funding uses include preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020. The US Treasury and New York State are currently developing guidelines for dissemination of these funds.

#### **IV. Food Assistance**

The American Rescue Plan *extends* the 15% SNAP benefit increase through the summer, which will allow any current SNAP recipients to continue receiving additional funds. In addition, this legislation extends the Pandemic EBT program to help children who would typically receive meals in schools. The ARP does not broaden eligibility for these programs.

#### **V. Business support**

**Paycheck Protection Program.** The Small Business Association is administering Paycheck Protection Program loans through the end of March (the American Rescue Plan extended this deadline but did not add additional funds to the program). You can search for a loan [on their website](#). The American Rescue Plan expands PPP eligibility to more nonprofits (including 501(c)(5) organizations and digital news services that provide local news).

**Restaurant Revitalization Grants.** The American Rescue Plan Act creates the Restaurant Revitalization Fund and provides \$28.6 billion for grants to restaurants, with a maximum of \$10 million per grant. This program will be administered by the Small Business Administration. Once the SBA publishes program rules and opens the application process, these grants will be available to restaurants that meet the eligibility criteria.

- Funds can be used for payroll, rent, utilities, costs to construct outdoor dining areas, food and beverage expenses, and other expenses.

**Child Care Assistance.** The American Rescue Plan expands child care assistance and provides relief to child care providers. New York is expected to receive \$700 Million in expanded child care assistance relief, and approximately \$1 Billion in childcare stabilization funds. Details about the dissemination of these funds are not yet final.

- These funds can stabilize child care programs by covering a range of expenses such as personnel costs, rent, facility maintenance and improvements, personal protective equipment (PPE) and COVID-related supplies, goods and services needed to resume providing care, mental health supports for children and early educators, and reimbursement of costs associated with the current public health emergency.

For more information on small business relief, visit

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>.